

**Grantee: Hawaii**

**Grant: B-08-DN-15-0001**

**July 1, 2015 thru September 30, 2015 Performance Report**

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**Grant Number:**

B-08-DN-15-0001

**Obligation Date:****Award Date:****Grantee Name:**

Hawaii

**Contract End Date:**

03/19/2013

**Review by HUD:**

Reviewed and Approved

**Grant Award Amount:**

\$19,600,000.00

**Grant Status:**

Active

**QPR Contact:**

Glori Ann Inafuku

**LOCCS Authorized Amount:**

\$19,600,000.00

**Estimated PI/RL Funds:**

\$3,000,000.00

**Total Budget:**

\$22,600,000.00

## Disasters:

### Declaration Number

No Disasters Found

## Narratives

### Areas of Greatest Need:

All counties within the State of Hawaii experience a shortage of affordable housing. The housing needs for the Counties of Hawaii, Kaua'i, and Maui are described in the State of Hawaii's Consolidated Plan for Program Years 2005-2010 and Action Plan for Program Year 2008-2009. The housing needs for the City and County of Honolulu are described in the City's Consolidated Plan for Program Years 2005-2010 and Action Plan for Program Year 2008-2009, which are incorporated by reference and may be viewed by consulting the links below: [http://www.honolulu.gov/budget/consol\\_plan\\_+2006\\_2010.pdf](http://www.honolulu.gov/budget/consol_plan_+2006_2010.pdf) <http://www.honolulu.gov/budget/final14thyractionplan.pdf> Hawaii's economy typically lags one to two years behind the mainland United States. HUD's foreclosure rate for Hawaii was estimated at 2.3%, which is low compared to foreclosure rates on the mainland. Instead of relying solely on HUD's risk scores, the State considered a combination of factors for purposes of identifying areas of greatest need for NSP funding: 1) Census tracts with a higher HUD "estimated foreclosure and abandonment risk score;" 2) Trends in the local housing market and economy. While a census tract may not have a high HUD risk score, home foreclosures in the State of Hawaii are on the rise due to job losses, rising costs, declining property values, and the effects of a weakened economy; 3) County assessments of local communities and neighborhoods most likely to experience the effects of an increased number of foreclosures; and 4) The impact of an NSP activity or project in meeting the housing needs of households of low-, moderate-, or middle-income (LMMI) and in stabilizing an LMMI neighborhood. Areas include neighborhood "hot spots" with relatively high percentages of loans that are seriously delinquent, concentrations of subprime loans, or variable interest rate subprime loans that reset in 2008. Declining residential sales volume and resale prices exert additional pressure on the risk for foreclosure, particularly for homeowners with variable interest rate subprime loans that reset in 2008. The increase in unemployment in all counties will also add to the potential for foreclosure. In the City and County of Honolulu, areas of greatest need include Waianae, Hauula, Ewa Beach, Waipahu, Waialua-Mokuleia, Kapolei, Kahuku, Laie, Kaaawa, Waimanalo, Kaneohe, Wahiawa, Mililani, Mililani, Pearl City, Aiea, and portions of Honolulu. The County of Hawaii's areas of greatest need include Papaikou-Wailea, Hilo, Kalaoa, Kaunakakai, Kealahou, Kailua-Kona, Kahului-Kaunakakai, Naalehu, Pahoa, Mountain View, Keaau, Waikoloa, Holualoa, Captain Cook, Volcano, Honokaa, Kapaau, and Paauilo. In the County of Kauai, areas of greatest need include Eleele, Hanapepe, Kapaa, Kilauea, Wailua-Kapaa, Puhi-Hanamaulu, and Lihue. The County of Maui's areas of greatest need include Kahului, Kihei, Wailuku, Paia, Makawao, Hana, Lahaina, Kula and Puunene.

### Distribution and and Uses of Funds:

Of the four county jurisdictions in the State, the City and County of Honolulu has the highest population. However, every county jurisdiction has been impacted by foreclosures, regardless of population size. Based on the State of Hawaii's needs assessment, the state selected projects that were serving communities in areas of greatest need, regardless of jurisdiction. The HHFDC worked closely with the City and County of Honolulu and the Counties of Hawaii, Kaua'i, and Maui to identify eligible uses of the NSP funds. In identifying activities to be funded under NSP, HHFDC also considered the capability of an entity to effectively administer the NSP and the ability of the NSP funds to be used for a particular activity within the required 18-month time period. NSP funds will be used in the City and County of Honolulu for the redevelopment of vacant properties in Waianae and Ewa, producing 2 affordable rental housing projects. NSP funds used in these projects will meet the NSP requirement that 25% of the NSP allocation be used for households with incomes at or below 50% AMI. In the County of Hawaii, NSP funds will be used for the redevelopment of a vacant property in Kailua-Kona, to produce an affordable rental housing project. In the counties of Kauai and Maui, NSP funds will be used county-wide for the purchase and rehabilitation of abandoned or foreclosed homes and residential properties, to provide homeownership opportunities to LMMI households. The County of Kauai will also use NSP funds for the redevelopment of 3 vacant parcels in Waimea and Eleele, producing homeownership opportunities for LMMI households.



**Definitions and Descriptions:**

**Low Income Targeting:**

**Acquisition and Relocation:**

**Public Comment:**

<b>Overall</b>	<b>This Report Period</b>	<b>To Date</b>
Total Projected Budget from All Sources	N/A	\$22,089,161.27
Total Budget	\$0.00	\$22,089,161.27
Total Obligated	\$10,342.01	\$22,063,594.58
Total Funds Drawdown	\$193,583.34	\$21,946,632.10
Program Funds Drawdown	\$0.00	\$19,600,000.00
Program Income Drawdown	\$193,583.34	\$2,346,632.10
Program Income Received	\$14,910.74	\$2,427,324.17
Total Funds Expended	\$193,583.34	\$21,946,632.10
Match Contributed	\$0.00	\$13,755.42

### Progress Toward Required Numeric Targets

<b>Requirement</b>	<b>Required</b>	<b>To Date</b>
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$13,755.42
Limit on Public Services	\$2,940,000.00	\$0.00
Limit on Admin/Planning	\$1,960,000.00	\$1,104,128.03
Limit on State Admin	\$0.00	\$1,104,128.03

### Progress Toward Activity Type Targets

### Progress Toward National Objective Targets

<b>National Objective</b>	<b>Target</b>	<b>Actual</b>
NSP Only - LH - 25% Set-Aside	\$4,900,000.00	\$6,900,000.00

### Overall Progress Narrative:



The NSP activities throughout the State of Hawaii have been successfully completed. All NSP program funds have been fully disbursed. Due to its program income, the County of Kauai homebuyer loan program remain open to provide primary and gap loans to first time homebuyers at or below 120% AMI.

## Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
001a, Purchase and rehabilitate foreclosed and abandoned	\$0.00	\$3,291,312.16	\$2,454,242.70
001b, Purchase and rehabilitate foreclosed and abandoned	\$0.00	\$4,900,000.00	\$4,900,000.00
001c, Purchase and rehabilitate foreclosed and abandoned	\$0.00	\$2,000,000.00	\$2,000,000.00
001d, Purchase and rehabilitate foreclosed and abandoned	\$0.00	\$3,146,728.90	\$3,146,728.90
002a, Redevelop demolished or vacant properties	\$0.00	\$5,639,435.08	\$5,639,435.08
002b, Redevelop demolished or vacant properties	\$0.00	\$1,200,000.00	\$813,573.55
003 Admin, Program Admin	\$0.00	\$511,685.13	\$511,685.13
004, Homebuyer Loan Program	\$0.00	\$1,400,000.00	\$134,334.64



## Activities

**Project # / Title:** 001a / Purchase and rehabilitate foreclosed and abandoned

**Grantee Activity Number:** HI-NSP-007K

**Activity Title:** County of Kauai / Program Administration

**Activity Category:**

Administration

**Activity Status:**

Under Way

**Project Number:**

001a

**Project Title:**

Purchase and rehabilitate foreclosed and abandoned

**Projected Start Date:**

05/11/2009

**Projected End Date:**

03/18/2013

**Benefit Type:**

( )

**Completed Activity Actual End Date:**

**National Objective:**

N/A

**Responsible Organization:**

Hawaii Housing Finance and Development Corporation

**Program Income Account:**

Kauai County Housing Agency

**Overall**

**Jul 1 thru Sep 30, 2015**

**To Date**

**Total Projected Budget from All Sources**

N/A

\$601,201.57

**Total Budget**

\$0.00

\$601,201.57

**Total Obligated**

\$10,342.01

\$601,201.57

**Total Funds Drawdown**

\$1,583.34

\$592,442.90

**Program Funds Drawdown**

\$0.00

\$351,201.57

**Program Income Drawdown**

\$1,583.34

\$241,241.33

**Program Income Received**

\$294.74

\$294.74

**Total Funds Expended**

\$1,583.34

\$592,442.90

Hawaii Housing Finance and Development Corporation

\$1,583.34

\$592,442.90

**Match Contributed**

\$0.00

\$0.00

**Activity Description:**

Administration of Neighborhood Stabilization Program by the Kauai County Housing Agency.

**Location Description:**

County of Kauai

**Activity Progress Narrative:**

The County of Kauai continues to administer the NSP activities throughout the county. The homebuyer loan payments and ground lease payments are receipted as program income.



## Accomplishments Performance Measures

No Accomplishments Performance Measures

## Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

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## Project # / Title: 004 / Homebuyer Loan Program

**Grantee Activity Number:** HI-NSP-008

**Activity Title:** County of Kauai NSP Homebuyer Loan Program

**Activity Category:**

Homeownership Assistance to low- and moderate-income

**Project Number:**

004

**Projected Start Date:**

09/11/2013

**Benefit Type:**

Direct ( HouseHold )

**National Objective:**

NSP Only - LMMI

**Program Income Account:**

Kauai County Housing Agency

**Activity Status:**

Under Way

**Project Title:**

Homebuyer Loan Program

**Projected End Date:**

06/30/2015

**Completed Activity Actual End Date:**

**Responsible Organization:**

Kauai County Housing Agency

### Overall

**Total Projected Budget from All Sources**

**Jul 1 thru Sep 30, 2015**

N/A

**To Date**

\$1,400,000.00

**Total Budget**

\$0.00

\$1,400,000.00

**Total Obligated**

\$0.00

\$1,400,000.00

**Total Funds Drawdown**

\$192,000.00

\$1,309,878.47



<b>Program Funds Drawdown</b>	\$0.00	\$134,334.64
<b>Program Income Drawdown</b>	\$192,000.00	\$1,175,543.83
<b>Program Income Received</b>	\$14,616.00	\$63,801.15
<b>Total Funds Expended</b>	\$192,000.00	\$1,309,878.47
Kauaʻi County Housing Agency	\$192,000.00	\$1,309,878.47
<b>Match Contributed</b>	\$0.00	\$0.00

### Activity Description:

This activity will provide financing for the purchase of permanent housing structures that will be occupied by first-time homebuyers whose incomes are at or below 120% AMI. Funds will be used to provide loans for homeownership assistance through primary (first) and gap (second) mortgages for single-family, income-eligible households.

### Location Description:

Target areas for the County of Kauai as defined by NSP.

### Activity Progress Narrative:

During the quarter, the County of Kauai issued one (1) homebuyer loan in the amount of \$192,000.00.

### Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	1	4/4
# of Singlefamily Units	1	4/4

### Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	0	0	1	0/0	0/0	4/4	0.00
# Owner Households	0	0	1	0/0	0/0	4/4	0.00

### Activity Locations

No Activity Locations found.

### Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

